

MEMORANDUM

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NATIONAL SECURITY COUNCIL

INFORMATION

July 28, 1971

MEMORANDUM FOR:

DR. KISSINGER

ON-FILE NSC RELEASE
INSTRUCTIONS APPLY

FROM:

ASHLEY C. HEWITT *ACH*

SUBJECT:

SNIE on Short-Term Outlook for Argentina

Attached at Tab A for your information is a Special National Intelligence Estimate on the short-term outlook for Argentina in which you may be interested. It makes the following basic points:

- President Lanusse will probably be able to find some formula for moving Argentina towards the return to elected government, but his task is a difficult one as he seeks to gain the cooperation of the Peronist-dominated labor movement while retaining the support of his military colleagues (who may not be willing to accept a Peronist-dominated government). His efforts could be upset by the impact of economic reverses, continued terrorist acts or Peronist intransigence.
- Argentina's economic malaise is continuing and over the next year or so there will be steady but not dramatic deterioration in all aspects of the economy.
- Lanusse's economic policies will be determined mainly by political considerations.
- Future relations with the US will be troubled by increasing nationalistic pressures in Argentina. Almost any civilian or military successor to the Lanusse regime will be more difficult for the US to deal with and will be less amenable to US influence.

In brief, then, the SNIE points out that Argentina is going through a very difficult internal political and economic process at this time and will not be a wholly dependable partner for the next several years. It further concludes that US-Argentine relations will be increasingly troubled by growing nationalistic pressures in Argentina.

State Dept. review completed

Attachment:

Tab A - SNIE 91-71

HAK has seen

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